Approved For Release 2002/01/08: CIA-RDP80-00473A000300070001-5

MEMORANDUM FOR : Deputy Director of Central Intelligence

Deputy Director for Adminstration
Deputy Director for Operations

Deputy Director for Science & Technology

Deputy Director for Intelligence

FROM : Director of Central Intelligence

SUBJECT : Personnel Policy

1. A fair and workable career management system is one of the most important contributions to the health and morale of any organization. Beyond having an effective means for evaluating performance and recognizing superior performers, there must be room in the organization for capable individuals to rise to positions of greater responsibility. This implies an inherent personnel flow which can exist only if there is ample recruitment of new talent at the bottom, a vigorously enforced "up or out" policy at all levels, and the option for early retirement. Each of these areas is being carefully studied at this time.

2. However, it is expected OMB will impose personnel ceilings in the coming year which will require personnel reductions. The least equitable means of accomplishing these reduction, it seems to me, would be to impose across—the—board cuts in all directorates. A more equitable and less disruptive means would be to enforce extant policies in our career management system. Two policies in particular hold the potential for personnel reduction and at the same—time opportunity to enhance personnel quality: careful monitoring of the probationary period for new employees and separation of those who have demonstrated the least potential for advancement at any level.

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- 3. The Deputy Director for Administration is directed:
 - a. to ensure effective supervisory action is taken to carefully evaluate the present performance and potential for future advancement of all new employees during the three year probationary period. If at any time during that period it becomes apparent that the employee consistently, and despite reasonable counselling, fails to perform satisfactorily or lacks promise of future growth, employment will be terminated.
 - b. to give 90 days notice of termination of employment to the 78 individuals who have ranked in the lowest 3% for the past 3 years.
 - c. to notify formally the 91 individuals who have ranked in the lowest 3% for 2 years that should they be so ranked for a third year their employment will be terminated.
 - d. to provide me with an assessment of the impact an immediate reactivation of the service retirement option would have on each directorate.

STANSFIELD TURNER Director ADMINISTRATIVE - INTERNAL USE ONLY

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2 June 197

MEMORANDUM FOR: Director of Central Intelligence

STATINTL

FROM

Chairman, Administration Management

Advisory Group (ADMAG)

SUBJECT

ADMAG Suggestions for the DCI

Action Requested: None - FYI only - background notes for your meeting with ADMAG.

- Background: During our meeting with you on 27 May you requested that we further address the issue of personnel "flow-through" and suggest improvements or solutions to concerns identified.
 - We believe that the existing personnel system, e.g., DDA Personnel Management Handbook dated 1975, provides an efficient and effective vehicle to handle the full range of personnel matters.
 - b. However, we also believe that the achievement of a personnel management system prescribed in existing regulatory issuances, handbooks, and studies, e.g., Personnel Approaches Study Group Report dated 1973, as well as the Annual Personnel Plan and the Personnel Development Program may be often frustrated through a spotty implementation.
 - Recommendations.

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- a. Employees with the least potential in all grade levels should be identified and appropriate career or adverse action should be taken. This policy is presently in existence, but is not yet being uniformly enforced. It is our suggestion that the DCI take appropriate action to ensure the enforcement of this policy. In the event of adverse action we approve of the present procedure for centralized reviews and recommendations by the Director of Personnel. We feel through this mechanism, positions will be made available for new employees and for the advancement of the employees already on board, provided the Agency personnel ceiling remains relatively constant.
- b. We endorse the use of the three year probationary period for new employees and urge that careful consideration be given during the period as to whether the individual should be retained.
- c. Seek approval for continued use of the 25 year discontinued service retirement option. This would be especially attractive to those employees enrolled in the CIA Retirement and Disability System.

4. It is noted that the suggestions and recommendations presented above are based upon the personnel experience and perspectives of members of the ADMAG.

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Assert and the Chairman The Chair

Approved For Release 2002/01/08: CIA-RDP80-00478A000300070001-5

DD/A Registry 577-3529

17 JUN 1977

77-7700/3

MEMORANDUM FOR: Director of Central Intelligence

VIA : Deput

: Deputy Director of Central Intelligence

FROM

: John F. Blake

Deputy Director for Administration

SUBJECT

: ADMAG Suggestions for the DCI

REFERENCE

: Memo for DDA from DCI dtd 7 Jun 77, subj: ADMAG

- 1. Action Requested: Approval of the recommendations contained in paragraph 3.
- 2. <u>Background</u>: The three specific recommendations contained in ADMAG's memorandum of 2 June 1977 have been reviewed and commented upon as follows:
 - a. <u>Identification of employees with least potential in all</u> grades . . . to provide positions for new employees and advancement of on-board employees.

We have assumed the phrase "least potential" in Recommendation (a) refers to the lower percentile of employees identified in the Career Service rankings of personnel. Until the recent issuance of the revised the Career Services were permitted to establish individual percentages for the identification of marginal employees. however, establishes a common lower percentile of 3% for the ranking of employees whose performance requires Career Service review and provides uniform guidance and procedures for implementing the program. Until this new policy is in effect for at least a year, it would be difficult to assess the impact it will have on the advancement of other employees by making higher grade positions available or for the appointment of additional new employees.

The FY-77 Annual Personnel Plan (APP) statistics identified, for the Agency as a whole and using the individual Career Service percentages, 224 employees as having marginal performances. Ninety-one (91) have been in this lower percentile for

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two years, 78 for three years. As a follow up to the APP report, the Career Services have recently been asked to identify the employees who have been so ranked for two and three years and advise the action . . i.e., training, counseling, reassignment, downgrading or separation . . taken or planned to be taken in each instance. Until we are in receipt of these reports, we cannot judge the number or kinds of positions which may be made available through this process within the next year.

The downgrading or separation of employees in the lower percentile ranking who do not respond to counseling or training will undoubtedly free some positions for the assignment and advancement of on-board or new employees. A more significant result of taking positive actions in this type of situation, however, is the impact it will have on all Agency employees by highlighting management's concern with the level of employee performance and the consistent application of principles of sound personnel management.

b. Endorse the three-year probationary period for new employees.

The three-year probationary period will undoubtedly improve the effective appraisal of the performance of new Agency employees, to the benefit of both the employee and the Organization. To make it truly effective, however, the responsibilities of the supervisor must be continually emphasized by senior managers to the point of holding supervisors responsible for inadequate or hedging evaluations. There must be a check system to insure that supervisors are doing their job in relation to the new employees . . . training, counseling, guiding, and, when necessary, recommending separation. Periodic review procedures should be established in each Career Service for the supervisory level to follow; the Fitness Report schedule should not be the only trigger for reviewing the performance of new employees or for tracking the supervisor's performance of this major responsibility.

c. Seek approval for continued use of the 25-year discontinued service retirement option.

Agency management has instituted the discontinued service retirement option with effective results in several of the recent past years when ceiling and/or employee surplus circumstances warranted such action.

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The Office of Personnel is closely monitoring the Agency's on-duty strength/ceiling situation in the context of other personnel management reviews (promotion headroom, identification of grade group "blockages," etc.) currently under consideration by the Executive Advisory Group and in anticipation of probable CMB-instituted reductions in the Agency's overall personnel ceiling.

As these several considerations are resolved and courses of action are defined, application of the discontinued service retirement option may be instituted as appropriate and justified.

Circumstances may support Agency-wide application or more narrow application within a specific Directorate, certain of its sub-elements or only specific employee categories.

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3. Recommendations:

- a. That the current policies and procedures as outlined in relative to Career Service responsibilities for ranking personnel and the identification of lower-ranked employees for subsequent managerial action be stringently implemented, monitored and enforced.
- b. That continued emphasis be placed on effective supervisory action in the evaluation of new employees during the three-year probationary period.
- c. That the discontinued service retirement option be retained and utilized by Agency management when appropriate to meet the manpower staffing requirements of the Agency.

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John F. Blake

Director of Central Intelligence	
Director of Central Intelligence	
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MEMORANDUM FOR: Deputy Director for Administration

FROM:

Director of Central Intelligence

SUBJECT:

ADMAG

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- 1. At the completion of my meeting with the ADMAG, I asked them to do further work to give me some specific recommendations on ways to improve our management of personnel. Attached is their response to me which I find very constructive and helpful.
- 2. I would appreciate your staffing each of these recommendations and coming back to me with your recommendations on them.

STANSFIELD TURNER

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Attachment

cc DDCI ADMAG

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If so we inform her !!

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FROM: John F. Blake	· · · · · · · · · · · · · · · · · · ·		EXTENSION	NO. DDA 77-3969			
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1. Executive Assistant/DC	I	23 JUN	1910	Bernie:			
2.				Attached is the file you sent me containing a memorandum on "Personnel Policy" concerning which you asked my comment. I mentioned to you on 1 July that several matters gave me cause for pause. I further suggested that I			
3.							
4.				revise it slightly, but due to a week's forthcoming leave, I would			
5.				submit it back to you by 12 July. I learned today upon my return			
6.				that Mr. Knoche requested, in my absence, that action be suspended on any revision to the memorandum.			
7.				He indicated to Mr. would have discussi on this matter. Ac	ons with the DC cordingly, I		
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OFFICE OF THE DIRECTOR
Approved For Release 2002/01/08 : CIA-RDP80-00473A0

Date:

TO: Jack Blake

FROM: EALOCT

SUBJECT:

REMARKS:

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ACTION